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Attorneys for The MacDonald Center for  
Arts and Humanities

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEVADA**

In Re:  
  
USA COMMERCIAL MORTGAGE CO.,  
  
Debtor.

Case Nos. BK-S-06-10725LBR  
Case Nos. BK-S-06-10726LBR  
Case Nos. BK-S-06-10727LBR  
Case Nos. BK-S-06-10728LBR  
Case Nos. BK-S-06-10729LBR

In Re:  
  
USA CAPITAL REALTY ADVISORS,  
LLC,  
  
Debtor.

Chapter 11  
Jointly Administered Under  
Case No. BK-S-06-10725 LBR

In Re:  
  
USA CAPITAL DIVERSIFIED TRUST  
DEED FUND, LLC,  
  
Debtor.

**CONDITIONAL OBJECTION TO  
MOTION TO AUTHORIZE  
USA COMMERCIAL MORTGAGE  
COMPANY AS LOAN SERVICER TO  
APPROVE LOAN MODIFICATION  
FOR PALM HARBOR ONE LOAN, TO  
PROVIDE THE PREVIOUSLY  
AUTHORIZED SUBORDINATION OF  
THE MARLTON SQUARE 2<sup>ND</sup> LOAN IN  
CONNECTION WITH THE PAYOFF  
OF THE MARLTON SQUARE 1<sup>ST</sup>  
LOAN, TO AUTHORIZE A SHORT  
TERM FOREBEARANCE FOR THE  
MARLTON SQUARE 1<sup>ST</sup> LOAN, AND  
TO GENERALLY AUTHORIZE  
SHORT-TERM LOAN FORE-  
BEARANCES FOR LOANS PAID  
OFF IN FULL [AFFECTS DEBTORS  
USA COMMERCIAL MORTGAGE  
COMPANY AND USA CAPITAL FIRST  
TRUST DEED FUND, LLC]**

In Re:  
  
USA CAPITAL FIRST TRUST DEED  
FUND, LLC,  
  
Debtor.

In Re:  
  
USA SECURITIES, LLC.,  
  
Debtor.

**Hearing Date: October 30, 2006  
Hearing Time: 9:30 a.m.**

Affects:  
☐ All Debtors  
☐ USA Commercial Mortgage Company  
☐ USA Capital Realty Advisors, LLC  
☐ USA Capital Diversified Trust Deed Fund, LLC  
☐ USA First Trust Deed Fund, LLC  
☐ USA Securities, LLC

1 The MacDonald Center for the Arts and Humanities, a non-profit corporation  
 2 ("MacDonald"), conditionally objects to the Debtors' Motion to Authorize USA  
 3 Commercial Mortgage Company as Loan Servicer to Approve Loan Modification for Palm  
 4 Harbor One Loan to Provide the Previously Authorized Subordination of the Marlton Square  
 5 2<sup>nd</sup> Loan in Connection with the Payoff of the Marlton Square 1<sup>st</sup> Loan, to Authorize a Short  
 6 Term Forebearance for the Marlton Square 1<sup>st</sup> Loan, and to Generally Authorize Short-term  
 7 Loan Forebearances for Loans Paid Off in Full [Affects Debtors USA Commercial Mortgage  
 8 Company and USA Capital First Trust Deed Fund, LLC] ("Motion").

9 MacDonald is a direct lender of \$525,000 in the MS Acquisition Company, LLC  
 10 promissory note (Note") and deed of trust ("Deed of Trust") also referred to as the Marlton  
 11 Square 1<sup>st</sup> Loan. Although MacDonald does not object to the relief sought in the Motion, the  
 12 Motion fails to address disbursement to the direct lenders of the proceeds from the  
 13 anticipated loan payoff in the amount of \$33,553,254.20. It is appropriate that in exchange  
 14 for reconveyance of the Deed of Trust securing their loans, the direct lenders be paid the  
 15 amounts due under the Note. Accordingly, MacDonald requests that any order granting the  
 16 Motion include language requiring the proceeds to be disbursed proportionately to the direct  
 17 lenders.

18 Dated this 23rd day of October, 2006.

19  
 20 **HARTMAN & HARTMAN**

21 /s/ Jeffrey L. Hartman  
 22 Jeffrey L. Hartman, Esq.  
 23 Attorney for The MacDonald Center  
 24 For Arts and Humanities  
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